

Conciliation Agreement
Between the
U.S. Department of Labor Office of Federal Contract Compliance Programs
And
Charles Schwab & Co., Inc.
8332 Woodfield Crossing Blvd.
Indianapolis, Indiana

PART I: General Provisions

1. This Agreement is between the U.S. Department of Labor, Office of Federal Contract Compliance Programs (OFCCP), and Charles Schwab & Co., Inc. (Charles Schwab), located at 8332 Woodfield Crossing Blvd., Indianapolis, Indiana.
2. The violation identified in this Agreement was found during a compliance evaluation of Charles Schwab which began on November 25, 2015 and was specified in a Notice of Violation that was issued on November 28, 2018. OFCCP alleges that Charles Schwab has violated Executive Order 11246, as amended, and implementing regulations at 41 CFR Chapter 60 due to the specific violation cited in Part II below.
3. This Agreement does not constitute an admission by Charles Schwab of any violation of Executive Order 11246, as amended, and the implementing regulations.
4. The provisions of this Agreement will become part of Charles Schwab's AAP. Subject to the performance by Charles Schwab of all promises and representations contained herein and in its AAP, all named violations in regard to the compliance of Charles Schwab with all OFCCP programs will be deemed resolved. However, Charles Schwab is advised that the commitments contained in this Agreement do not preclude future determinations of noncompliance based on a finding that the commitments are not sufficient to achieve compliance.
5. Charles Schwab agrees that OFCCP may review compliance with this Agreement. As part of this review, OFCCP may require written reports, inspect the premises, interview witnesses, and examine and copy documents, as may be relevant to the matter under investigation and pertinent to Charles Schwab's compliance. Charles Schwab shall permit access to its premises during normal business hours for these purposes.
6. Nothing herein is intended to relieve Charles Schwab from the obligation to comply with the requirements of Executive Order 11246, as amended, Section 503 of the Rehabilitation Act of 1973, as amended, and/or the Vietnam Era Veterans' Readjustment Assistance Act of 1974, as amended (38 U.S.C. 4212), their implementing regulations, or any other equal employment statute or executive order or its implementing regulations.
7. Charles Schwab agrees that there will be no retaliation of any kind against any beneficiary of this Agreement or against any person who has provided information or assistance, or who files a complaint, or who participates in any manner in any proceedings under Executive Order 11246, as amended, Section 503 of the Rehabilitation Act of 1973, as amended, and/or the Vietnam Era Veterans' Readjustment Assistance Act of 1974, as amended (38 U.S.C. 4212).
8. This Agreement becomes effective on the day it is signed by the District Director of the Midwest Region (the "Effective Date").
9. If at any time in the future, OFCCP believes that Charles Schwab has violated any portion of this Agreement during the term of this Agreement, Charles Schwab will be promptly

notified of that fact in writing. This notification will include a statement of the facts and circumstances relied upon in forming that belief. In addition, the notification will provide Charles Schwab with 15 calendar days from receipt of the notification to respond in writing, except where OFCCP alleges that such a delay would result in irreparable injury.

Enforcement proceedings for violation of this Agreement may be initiated at any time after the 15-day period has elapsed or sooner, if irreparable injury is alleged, without issuing a Show Cause Notice.

Where OFCCP believes that Charles Schwab has violated this Conciliation Agreement, OFCCP may seek enforcement of this Agreement itself and shall not be required to present proof of the underlying violations resolved by this Agreement.

Liability for violation of this Agreement may subject Charles Schwab to sanctions set forth in Section 209 of the Executive Order and/or other appropriate relief.

PART II: Specific Provisions

VIOLATION: During the period of January 1, 2014 through the date the Conciliation Agreement is issued, OFCCP alleges that Charles Schwab failed to preserve and maintain all personnel or employment records made or kept by Charles Schwab for not less than two years from the date of the making of the record or the personnel action involved, whichever occurs later, as required by 41 CFR 60-1.12(a). Specifically, Charles Schwab was unable to provide complete and accurate records in their applicant flow log for the job title, Associate Brokerage RRT, pertaining to their hiring process (the title of which has been changed to Associate Financial Professional Services).

REMEDY: Charles Schwab must preserve all personnel or employment records made or kept in either electronic or hard copy format including but not limited to all expressions of interest through the internet or related electronic data technologies, records related to internal and/or external databases, physical and online applications, completed applicant self-identification forms, resumes, testing materials, and interview records, for not less than two years from the date of the making of the record or the personnel action involved, whichever occurs later. Where a compliance evaluation has been initiated by OFCCP, Charles Schwab will preserve all employment or personnel records beyond the two year period until OFCCP makes a final disposition in the matter.

PART III: Reporting

1. Charles Schwab agrees to retain records pertinent to the violations cited in Part II above, and to the reports submitted in compliance with Paragraph 2, below. These records shall include data and information underlying the required reports, specifically, but not limited to all applications and personnel records for the position of Associate Brokerage RRT (now Associate Financial Professional Services), for the Indianapolis establishment. The records will be retained until the expiration of this Agreement or consistent with regulatory requirements, whichever is later.
2. Charles Schwab agrees to furnish the OFCCP Columbus Area Office, 200 N. High St. Room 409, Columbus, Ohio 43215 with the following reports:
 - A. Charles Schwab must submit two (2) progress report for the Indianapolis, Indiana establishment covering each six month period this Agreement is in effect. The first Progress Report will be due seven months after the effective date of this Agreement and must cover the six-month period beginning with the effective date. The second Progress Report must cover the successive six-month period, and must

be submitted within 30 calendar days after the close of that six-month period. Charles Schwab will submit the following in each report:

- 1) Applicant flow log for the Associate Brokerage RRT job title (now Associate Financial Professional Services) for the Indianapolis establishment, including name/ID, race/ethnicity, gender, resume received date, job code, job title, status, hire date, stage activity and stage activity completed date, and disposition.
3. This Conciliation Agreement shall remain in effect until the review and acceptance by OFCCP of Charles Schwab's final progress report.

TERMINATION DATE: This Agreement will expire 90 days after the OFCCP receives the reports required in Part III above or on the date that the District Director gives notice to Charles Schwab that Charles Schwab has satisfied its reporting requirements, whichever occurs earlier, unless the OFCCP notifies Charles Schwab in writing prior to the end of the 90-day period that Charles Schwab has not satisfied its reporting requirements pursuant to this Agreement.

INTEGRATION CLAUSE: This Agreement represents the full Agreement between Charles Schwab and the OFCCP and this Agreement supersedes any other agreements, oral or written. In signing this Agreement, neither Charles Schwab nor the OFCCP relies upon any promise, representation of fact or law, or other inducement that is not expressed in this Agreement. This Agreement may be modified only by written agreement of the Parties affected and may not be modified by any oral agreement.

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PART IV: Signatures

This Conciliation Agreement is hereby executed by and between the Office of Federal Contract Compliance Programs and Charles Schwab & Co., Inc., 8332 Woodfield Crossing Blvd., Indianapolis, Indiana.

(b) (6), (b) (7)(C) _____ **(b) (6), (b) (7)(C)** _____
DESSERA GEORGE *for* **(b) (7)(C), (b) (7)(E)**
Vice President/Operational Services Compliance Officer
Charles Schwab & Co., Inc. Columbus Area Office
Indianapolis, Indiana Midwest Region
DATE: 12/21/2018 DATE: 12/21/18

for **(b) (6), (b) (7)(C)** _____ **(b) (6), (b) (7)(C)** _____
VERONICA A. MINNEFIELD PHYLLIS E. LIPKIN
Assistant District Director District Director
Columbus Area Office Midwest Region
Midwest Region
DATE: 12/21/18 DATE: 12/21/18